

**APPENDIX 1 — CASUALTY INSURANCE COURSE
REQUIREMENTS****SECTION A****I. Principles of Insurance — 2 Hours**

- A. Nature of risk
- B. Risk management
- C. Insurable and noninsurable risk
- D. Pooling concept — law of large numbers
- E. Government as insurer
- F. Forms of ownership
- G. Marketing systems
- H. Competition in the industry
- I. Functions of insurers
- J. Reinsurance

II. General Wisconsin Insurance Laws — 3 Hours

- A. Duties and powers of Insurance Commissioner — statutory and rule-making
 - B. Knowledge of administrative action process, including hearings and penalties
 - C. Purpose of licensing, including procedures and who must be licensed
 - D. Record keeping and changes in agent status, including change of address
 - E. Agent license expiration, revocation, suspension, and limitation
 - F. General regulations regarding misrepresentation, knowledge of acts of agent, rebating
 - G. Regulation of specific insurance contract changes regarding cancellation, nonrenewal, notice of proof of loss, and payment of claims
 - H. Unfair claims methods and practices — timely payment of claims
 - I. Fair rating practices
 - J. Home solicitation requirements
 - K. Section 628.32, Wis. Stat., written disclosure of fees other than commissions
- III. Ethics — 3 Hours**
- A. Fiduciary duties, and responsibilities
 - B. Conflict of interest

C. Ethical marketing practices, including fair and ethical treatment of policyholders

- D. Appropriate claims practices
- E. Suitability of product to client
- F. Social responsibility of insurance agent
- G. Agent/company relationships
- H. Maintaining appropriate insurance expertise
- I. Education of policyholders
- J. Understanding of client needs

SECTION B

IV. Policies, Terms, and Concepts — 6 Hours

A. Types of policies, bonds, and related terms

1. General liability

- a. Owners, landlords, and tenants liability
- b. Manufacturers and contractors liability
- c. Products and completed operations liability
- d. Contractual liability
- e. Comprehensive general liability
- f. Premises/operations liability
- g. Owners and contractors protective liability

2. Automobile Insurance - personal & family auto and business & commercial auto

- a. Physical damage (collision and comprehensive)
- b. Uninsured motorists
- c. Underinsured motorists
- d. Named insureds
- e. Insureds
- f. Owned automobile
- g. Nonowned automobile
- h. Temporary substitute auto

3. Worker's compensation

4. Professional liability

5. Umbrella/excess liability

B. Insurance terms and related concepts

1. Risks

2. Hazards
3. Indemnity
4. Insurable interest
5. Actual cash value
6. Negligence
7. Liability
8. Accident
9. Occurrence
10. Burglary
11. Robbery
12. Theft
13. Mysterious disappearance
14. Fidelity (employee dishonesty)
15. Warranties
16. Representations
17. Concealment
18. Bodily injury liability
19. Property damage liability
20. Personal injury liability
21. Limits of liability
22. Deductibles
23. Incidental contracts
24. Binders
- C. Policy provisions
 1. Declarations
 2. Insuring agreement
 3. Conditions
 4. Exclusions
 5. Definition of the insured
 6. Duties of the insured
 7. Cancellation and nonrenewal provisions
 8. Supplementary payment (additional coverages)
 9. Proof of loss
 10. Notice of claim

Appendix Ins 26

11. Arbitration
12. Pro rata liability (other insurance)
13. Subrogation
14. Compliance with provisions of Fair Credit Reporting Act
15. Claims made policy form
16. Salvage
17. Consent to settle a loss
18. Limitations

V. Wisconsin Casualty Insurance Law — 6 Hours

- A. General rate standards
- B. Prohibited classification of risks
- C. Surplus lines

1. Definition
2. Prohibitions and restrictions
3. Responsibilities of agents and brokers

D. Oral contracts

E. Automobile liability

1. Financial responsibility

- a. Definition
- b. Persons required to show proof
2. Required coverages and prohibited exclusions

Uninsured motorist

3. Cancellation or nonrenewal
4. Responsibility for minors operating motor vehicles

5. Wisconsin Automobile Insurance Plan

F. Worker's compensation

1. Purpose
2. Definitions
3. Wisconsin worker's compensation insurance pool

APPENDIX 2 — PROPERTY INSURANCE COURSE REQUIREMENTS

SECTION A

- I. Principles of Insurance — 2 Hours
 - A. Nature of risk
 - B. Risk management
 - C. Insurable and noninsurable risk
 - D. Pooling concept — law of large numbers
 - E. Government as insurer
 - F. Forms of ownership
 - G. Marketing systems
 - H. Competition in the industry
 - I. Functions of insurers
 - J. Reinsurance
- II. General Wisconsin Insurance Laws — 3 Hours
 - A. Duties and powers of Insurance Commissioner — statutory and rule-making
 - B. Knowledge of administrative action process, including hearings and penalties
 - C. Purpose of licensing, including procedures and who must be licensed
 - D. Record keeping and changes in agent status, including change of address
 - E. Agent license expiration, revocation, suspension, and limitation
 - F. General regulations regarding misrepresentation, knowledge of acts of agent, rebating
 - G. Regulation of specific insurance contract changes regarding cancellation, nonrenewal, notice of proof of loss, and payment of claims
 - H. Unfair claims methods and practices — timely payment of claims
 - I. Fair rating practices
 - J. Home solicitation requirements
 - K. Section 628.32, Wis. Stat., written disclosure of fees other than commissions
- III. Ethics — 3 Hours
 - A. Fiduciary duties, and responsibilities
 - B. Conflict of interest

C. Ethical marketing practices, including fair and ethical treatment of policyholders

- D. Appropriate claims practices
- E. Suitability of product to client
- F. Social responsibility of insurance agent
- G. Agent/company relationships
- H. Maintaining appropriate insurance expertise
- I. Education of policyholders
- J. Understanding of client needs

SECTION B

IV. Policies, Terms, and Concepts — 6 Hours

- A. Types of policies
 - 1. Standard fire
 - 2. Personal lines
 - a. Dwelling and contents
 - b. CPL (comprehensive personal liability)
 - c. Homeowners
 - 3. Commercial
 - a. General property
 - b. Special multi-peril
 - c. Business owner policy
 - d. Business interruption
 - 1) Gross earnings
 - 2) Earnings
 - 3) Extra expense
 - 4. Inland marine
 - a. Personal floaters
 - b. Commercial floaters
 - 5. Others
 - a. Flood
 - b. Watercraft
 - B. Insurance terms and related concepts
 - 1. Insurance
 - 2. Insurable interest

3. Risk
 4. Hazard
 5. Peril
 - a. Specified (named) perils
 - 1) Standard fire
 - 2) Extended coverage
 - 3) Broad form
 - b. All-risk
 6. Loss
 - a. Direct
 - b. Indirect
 7. Proximate cause
 8. Deductible
 9. Indemnity
 10. Actual cash value
 11. Replacement cost
 12. Limits of liability
 13. Coinsurance
 14. Pair and set clause
 15. Extensions of coverage
 16. Additional coverages
 17. Accident
 18. Occurrence
 19. Cancellation
 20. Nonrenewal
 21. Vacancy and unoccupancy
 22. Right of salvage
 23. Abandonment
 24. Liability
 25. Negligence
- C. Policy provisions and contract law
1. Declarations
 2. Insuring agreement
 3. Conditions

4. Exclusions
5. Definition of the insured
6. Duties of the insured
7. Obligations of the insurance company
8. Mortgagee rights
9. Proof of loss
10. Notice of claim
11. Appraisal
12. Pro rata liability (other insurance)
13. Assignment
14. Subrogation
15. Arbitration
16. Elements of a contract
17. Warranties, representations, and concealment
18. Binders
19. Sources of insurability information
20. Fair Credit Reporting Act
- V. Wisconsin Property Insurance Law — 6 Hours
 - A. General rate standards - use and file provisions
 - B. Prohibited classification of risks
 - C. Surplus lines
 1. Definitions
 2. Prohibitions and restrictions
 3. Responsibilities of agents and brokers
 - D. Oral contracts
 - E. Content of forms
 - F. Definition of loss
 - G. Wisconsin Insurance Plan
 - H. Valued policy law
 - I. Vacancy rule
 - J. Time period for filing claim

**APPENDIX 3 — LIFE INSURANCE COURSE
REQUIREMENTS****SECTION A**

- I. Principles of Insurance — 2 Hours
 - A. Nature of risk
 - B. Risk management
 - C. Insurable and noninsurable risk
 - D. Pooling concept — law of large numbers
 - E. Government as insurer
 - F. Forms of ownership
 - G. Marketing systems
 - H. Competition in the industry
 - I. Functions of insurers
 - J. Reinsurance
- II. General Wisconsin Insurance Laws — 3 Hours
 - A. Duties and powers of Insurance Commissioner — statutory and rule-making
 - B. Knowledge of administrative action process, including hearings and penalties
 - C. Purpose of licensing, including procedures and who must be licensed
 - D. Record keeping and changes in agent status, including change of address
 - E. Agent license expiration, revocation, suspension, and limitation
 - F. General regulations regarding misrepresentation, knowledge of acts of agent, rebating
 - G. Regulation of specific insurance contract changes regarding cancellation, nonrenewal, notice of proof of loss, and payment of claims
 - H. Unfair claims methods and practices — timely payment of claims
 - I. Fair rating practices
 - J. Home solicitation requirements
 - K. Section 628.32, Wis. Stat., written disclosure of fees other than commissions
- III. Ethics — 3 Hours
 - A. Fiduciary duties, and responsibilities
 - B. Conflict of interest

C. Ethical marketing practices, including fair and ethical treatment of policyholders

D. Appropriate claims practices

E. Suitability of life products to clients including sales to the elderly

F. Social responsibility of insurance agent

G. Agent/company relationships

H. Maintaining appropriate insurance expertise

I. Education of policyholders

J. Understanding of client needs

SECTION B

IV. Policies, Terms, and Concepts — 6 Hours

A. Types of policies

1. Traditional whole life products

a. Ordinary (straight) life

b. Limited-pay and single-premium life

c. Modified and graded premium whole life

d. Adjustable life

2. Interest-sensitive whole life products

a. Universal life

b. Variable whole life

c. Variable universal life

3. Term life

a. Level, decreasing, and increasing term

b. Renewable term

c. Convertible term

4. Annuities

a. Single, level, and flexible premium

b. Immediate and deferred

c. Fixed and variable — requirement of security license

5. Endowment

6. Combination plans

a. Family policy

b. Family income policy

c. Family maintenance policy

- B. Policy riders, provisions, options, and exclusions
 - 1. Policy riders
 - a. Waiver of premium
 - b. Guaranteed insurability
 - c. Payor benefit
 - d. Accidental death and/or accident death, and dismemberment
 - e. Term riders
 - f. Other insureds (e.g., spouse, children, nonfamily)
 - 2. Policy provisions and options
 - a. Entire contract
 - b. Insuring clause
 - c. Free look
 - d. Consideration clause
 - e. Owner's rights
 - f. Primary and contingent beneficiaries
 - g. Revocable and irrevocable beneficiaries
 - h. Change of beneficiary
 - i. Modes of premium payment
 - j. Grace period
 - k. Automatic premium loan
 - l. Reinstatement
 - m. Policy loan
 - n. Nonforfeiture options
 - o. Dividends and dividend options
 - p. Incontestability
 - q. Assignment
 - r. Suicide
 - s. Misstatement of age
 - t. Settlement options
 - u. Conversion options (individual policy)
 - 3. Policy exclusions
- C. Completing the application, underwriting, and delivering the policy
 - 1. Completing the application

- a. Requiring signatures
- b. Changes in the application
- c. Consequences of incomplete applications
- d. Warranties and representations
- e. Collecting the initial premium and issuing the receipt
2. Underwriting
 - a. Insurable interest
 - b. Medical information and consumer reports
 - c. Fair Credit Reporting Act
 - d. Risk classification
3. Delivering the policy
 - a. When coverage begins
 - b. Obtaining a statement of good health
 - c. Explaining the policy and its provisions, riders, exclusions, and ratings to the client
- D. Taxes, Retirement, and Other Insurance Concepts
 1. Third-party ownership
 2. Group life insurance
 3. Retirement plans
 4. Business insurance (e.g., key employe, buy and sell agreement, split-dollar, etc.)
 5. Social security benefits and taxes
 6. Tax treatment of insurance premiums, and proceeds
- V. Wisconsin Life Insurance Law — 6 Hours
 - A. Policy provisions
 1. Grace period
 2. Separate benefits
 3. Incontestability
 4. Misstatement of age
 5. Assignment of rights
 6. Designation of beneficiaries
 7. Variable contracts
 - B. Marketing practices
 1. Bonuses
 2. Replacement of policies

3. Disclosure requirements

4. Suitability

5. Combination sales

6. Recordkeeping

C. State Life Insurance Fund

**APPENDIX 4 — ACCIDENT AND HEALTH INSURANCE
COURSE REQUIREMENTS****SECTION A****I. Principles of Insurance — 2 Hours**

- A. Nature of risk
- B. Risk management
- C. Insurable and noninsurable risk
- D. Pooling concept — law of large numbers
- E. Government as insurer
- F. Forms of ownership
- G. Marketing systems
- H. Competition in the industry
- I. Functions of insurers
- J. Reinsurance

II. General Wisconsin Insurance Laws — 3 Hours

- A. Duties and powers of Insurance Commissioner — statutory and rule-making
- B. Knowledge of administrative action process, including hearings and penalties
- C. Purpose of licensing, including procedures and who must be licensed
- D. Record keeping and changes in agent status, including change of address
- E. Agent license expiration, revocation, suspension, and limitation
- F. General regulations regarding misrepresentation, knowledge of acts of agent, rebating
- G. Regulation of specific insurance contract changes regarding cancellation, nonrenewal, notice of proof of loss, and payment of claims
- H. Unfair claims methods and practices — timely payment of claims
- I. Fair rating practices
- J. Home solicitation requirements
- K. Section 628.32, Wis. Stat., written disclosure of fees other than commissions

III. Ethics — 3 Hours

- A. Fiduciary duties, and responsibilities
- B. Conflict of interest

C. Ethical marketing practices, including fair and ethical treatment of policyholders

D. Appropriate claims practices

E. Suitability of accident and health products to clients including specifically sales to the elderly

F. Social responsibility of insurance agent

G. Agent/company relationships

H. Maintaining appropriate insurance expertise

I. Education of policyholders

J. Understanding of client needs

SECTION B

IV. Policies, Terms, and Concepts — 6 Hours

A. Types of policies

1. Disability income

a. Individual disability income policy

b. Business overhead expense policy

c. Business health insurance

2. Accidental death and dismemberment

3. Medical expense insurance

a. Basic hospital, medical, and surgical policies

b. Major medical policies

c. Comprehensive major medical policies

d. Health maintenance organizations (HMO)

e. Multiple employer trusts (MET)

f. Service organizations (Blue plans)

4. Medicare supplement policies

5. Group insurance

a. Group conversion

b. Differences between individual and group contracts

c. General concepts

B. Policy provisions, clauses, and riders

1. Mandatory provisions

a. Entire contract

b. Time limit on certain defenses (incontestable)

c. Grace period

- d. Reinstatement
- e. Notice of claim
- f. Claim forms
- g. Proof of loss
- h. Time of payment of claims
- i. Payment of claims
- j. Physical examination and autopsy
- k. Legal actions
- l. Change of beneficiary
- 2. Optional provisions
 - a. Change of occupation
 - b. Misstatement of age
 - c. Illegal occupation
- 3. Other provisions and clauses
 - a. Insuring clause
 - b. Free look (10-day, 20-day, etc.)
 - c. Consideration clause
 - d. Probationary (waiting) period
 - e. Elimination (waiting) period
 - f. Waiver of premium
 - g. Exclusions
 - h. Pre-existing conditions
 - i. Recurrent disability
 - j. Coinsurance
 - k. Deductibles
- 4. Riders
 - a. Impairment rider
 - b. Guaranteed insurability rider
 - c. Multiple indemnity rider (double, triple)
- 5. Rights of renewability
 - a. Noncancellable
 - b. Cancellable
 - c. Guaranteed renewable
 - d. Conditionally renewable

- e. Optionally renewable
- f. Period of time
- C. Social insurance
 - 1. Medicare
 - 2. Medicaid
 - 3. Social security benefits
- D. Other insurance concepts
 - 1. Total, partial, and residual disability
 - 2. Owner's rights
 - 3. Dependent children benefits
 - 4. Primary and contingent beneficiaries
 - 5. Modes of premium payments (annually, semiannual, etc.)
 - 6. Nonduplication and coordination of benefits (e.g., primary vs. excess)
 - 7. Occupational vs. nonoccupational
 - 8. Tax Treatment of premiums and proceeds of insurance contracts (e.g., disability income, and medical expense, etc.)
- E. Field underwriting procedures
 - 1. Completing application and obtaining necessary signatures
 - 2. Explaining sources of insurability information (e.g., MIB Report, Fair Credit Reporting Act, etc.)
 - 3. Upon payment of initial premium, giving prospect conditional receipt, and explaining the effect of that receipt (e.g., medical exam, etc.)
 - 4. Submitting application and initial premium to company for underwriting
 - 5. Assuring delivery of policy to client
 - 6. Explaining policy and its provisions, riders, exclusions, and ratings to clients
 - 7. In cases where initial premium did not accompany application, obtaining signed statement of continued good health, and obtaining premium for transmittal
 - 8. Contract law
 - a. Requirements of a contract
 - b. Insurable interest
 - c. Warranties and representations
- V. Wisconsin Health Insurance Law — 6 Hours
 - A. General policy provisions

1. Right of return
2. Right of insurer to contest
3. Pre-existing conditions
4. Application process
5. Grace periods
- B. Mandated benefits
 1. Handicapped children
 2. Newborn children
 3. Chiropractors services
 4. Alcoholism, drug abuse, and mental and nervous disorders
 5. Home health care
 6. Skilled nursing care
 7. Kidney disease treatment
 8. Diabetes
 9. Maternity benefits
- C. Riders and endorsements
- D. Marketing methods and practices
 1. Advertising
Company approval of advertising
 2. Suitability
 3. Outline of coverage
 4. Replacement
 5. Medicare supplement policies
 6. Nursing home policies
 7. Continuation and conversion
 8. Cancer insurance and other dread disease
- E. Health Insurance Risk Sharing Plan

**APPENDIX 5 — CERTIFICATE OF PRELICENSING
EDUCATION**

(Note: Must be on green paper)

I hereby certify that _____ (name)
has completed a prelicensing educational course which complies with the
requirements in ch. Ins 26, Wis. Adm. Code, for the insurance line of
(life) (accident & health) (property) (casualty). The last day of class for
section B of this particular course was _____ (date).

I have verified the identification of this applicant by using:

- A Wisconsin driver's license
- A Wisconsin identification card
- Other (please describe) _____

Authorized Representative

Date

Name of Program

**APPENDIX 6 — EXEMPTION FORM FROM
PRELICENSING REQUIREMENTS**

(Note: Must be on green paper)

I hereby certify that I am exempt from the prelicensing requirement for the following reason(s):

- 1. Applicant for a limited line insurance license for automobile, credit life/credit accident and health, or title.
- 2. Any nonresident applying for a nonresident license in the state of Wisconsin.
- 3. Any applicant who has completed a two-year vocational school degree in insurance (attach a transcript).
- 4. Any applicant who has completed a four-year college degree in business with an insurance emphasis (attach a transcript).

I have attached the necessary documentation.

Date

Applicant's Signature

Attachments